

Abstract

The research "Social value and its measurement in the third sector" is focused on measuring the social value of social enterprises, which form part of the conceptual framework of the third sector. Social enterprises currently face the challenge of assessing and measuring social value (social impact). Demonstrating social value is required by many stakeholders, including social enterprises themselves. There are many approaches to measuring social value, but none has been widely adopted, and the field is characterized by methodological pluralism. In the Czech Republic, the area of social value measurement in the third sector is still under-researched, despite the current political and economic climate, where stakeholder demands for indicators that can capture the performance of organizations are increasing. As in other countries, there is no uniformly accepted tool for measuring social value or social impact.

The main objective of the research, which is divided into two sub-research "Measuring the social value of social enterprises" and "Longitudinal study", is to measure the social value of social enterprises in the Czech Republic and to perform their mutual comparison (benchmarking). The sub-goals are to monitor the development of measurements and changes in the social value of a selected social enterprise over a longer period (4 years), to verify the sentiment indicator, to determine the effect of distance on social value, and to further evaluate the S/E Ratio method and assess the appropriateness of using the chosen foreign method for social enterprises in the Czech environment. In accordance with the objectives and research questions, an integrated research strategy combining qualitative and quantitative data collection and interpretation techniques is used. This is research with a mixed mode of data collection. The following triangulation techniques and data collection tools are used for data collection: document analysis, interviews (expert and semi-structured) and questionnaire surveys. To measure and analyse social value, the foreign method Social Earnings Ratio (S/E Ratio) is used, which has not yet been applied in the Czech Republic.

The following conclusions were found through the conducted research: The most effective/performing were the social enterprises of the social business model/social enterprises from the market sector of the social economy, which also showed the greatest financial increase (%) depending on the created social value. In terms of the result of total social value and added social value, it was the social enterprises of the entrepreneurial non-profit model that created significantly higher values, on average approximately threefold. In the case of the selected social enterprise (SSE), it was found that in the

observed period of four years it showed almost the same efficiency/performance and a similar increase (%). In 2015, compared to other years, it created a large amount of total social value, a higher added social value, which was mainly caused by three factors: 1. high costs, 2. obtaining higher financial support from external entities, 3. a higher number of supported people and employees. Furthermore, it was found that if there is more positive sentiment, social value increases in all key values. Social value also decreases with greater distance. It is possible to benchmark Czech social enterprises amongst themselves and with foreign social enterprises if a separate category of social enterprises is defined and an available database of measurement results/sharing platform is created. The quantitative S/E Ratio method can be used to measure the social value of social enterprises in the Czech Republic when risk moments are eliminated.

Key words: Third sector, social enterprises, social value, measuring social value, Social Earnings Ratio